

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

**FIRST SET OF INFORMATION REQUESTS
NEW ENGLAND POWER COMPANY
D.T.E. 05-57**

Pursuant to 220 C.M.R. 1.06(6)(c), the Department of Telecommunications and Energy ("Department") submits to New England Power Company ("NEP" or "Company") the following Information Requests.

Instructions

The following instructions apply to this set of Information Requests and all subsequent Information Requests issued by the Department to the Company in this proceeding.

1. Each request should be answered in writing on a separate three-hole punched page with a recitation of the request, a reference to the request number, the docket number of the case and the name of the person responsible for the answer.
2. Please do not wait for all answers to be completed before supplying answers. Provide the answers as they are completed.
3. These requests shall be deemed continuing so as to require further supplemental responses if the Company or its witness receives or generates additional information within the scope of these requests between the time of the original response and the close of the record in this proceeding.
4. The term "provide complete and detailed documentation" means:

Provide all data, assumptions and calculations relied upon. Provide the source of and basis for all data and assumptions employed. Include all studies, reports and planning documents from which data, estimates or assumptions were drawn and support for how the data or assumptions were used in developing the projections or estimates. Provide and explain all supporting workpapers.
5. The term "document" is used in its broadest sense and includes, without limitation, writings, drawings, graphs, charts, photographs, microfilm, microfiche, audio recordings, video recordings, computer printouts, correspondence, handwritten notes, records or reports, bills, checks, articles from journals, electronic mail or other sources and other data compilations from which information can be obtained and all copies of such documents that bear notations or other markings that differentiate such copies from the original.

6. If the Company finds that any one of these requests is ambiguous, please notify the Hearing Officer so that the request may be clarified prior to the preparation of a written response.
7. If a question refers to an Information Request of another party, please provide that response and answer with information that supplements the previous response.
8. Please serve a copy of the responses as follows: (a) an original and four (4) copies to Mary Cottrell, Secretary of the Department; also submit one (1) copy of all written documents in electronic formation using one of the following methods: (1) by e-mail attachment to det.efiling@state.ma.us and to John.J.Keene@state.ma.us and to Paul.Osborne@state.ma.us; or (2) on a 3.5" disk, IBM-compatible format. The text of the e-mail or the disk label must specify: (1) the docket number of the proceeding (D.T.E. 05-57), (2) name of the person or company submitting the filing, and (3) a brief descriptive title of the document (e.g., Response to Information Requests). The electronic filing should also include the name, title and phone number of a person to contact in the event of questions about the filing. Text responses should be created in either Corel WordPerfect, Microsoft Word, or as an Adobe-compatible PDF file. Data or spreadsheet responses should be compatible with Microsoft Excel. Documents submitted in electronic format will be posted on the Department's Website, <http://www.mass.gov/dte>.

INFORMATION REQUESTS

- DTE 1-1 Refer to Exh. RGS-1, at 1. Please explain the reference to "Amendment No. 1" that has been incorporated into the conformed version of the November 29, 2004 Credit Agreement.
- DTE 1-2 Other than the extension of the term, are there any proposed changes to the Credit Agreement? If so, please provide a redline/strikeout version of the proposed Credit Agreement, identifying all proposed changes to the existing Credit Agreement provided in Exh. RGS-1.
- DTE 1-3 Refer to Mr. Seega's prefiled testimony at 7, as well as Exh. RGS-1, at 20 and 22. Please explain the distinction between (1) the Company's eligibility to borrow under the Credit Agreement and (2) the ability of Massachusetts Electric Company and Nantucket Electric Company (among other participants to the Credit Agreement) to "avail themselves to the letter of credit facility set forth under the Credit Agreement."

- DTE 1-4 Refer to Mr. Seega's prefiled testimony at 3-4. Please explain the remarketing process used to periodically reprice NEP's bonds.
- DTE 1-5 Refer to Mr. Seega's prefiled testimony at 4. Please provide (1) the current credit rating for the Company's bonds, (2) the estimated difference in the credit rating in the absence of the credit facility and (3) the estimated difference in interest rates associated with the bonds, in the absence of the credit facility.
- DTE 1-6 Please list what, if any, other regulatory approvals need to be obtained by the Company in order to authorize the extension of the term of the existing revolving credit facility.
- DTE 1-7 Refer to Mr. Seega's prefiled testimony at 5. Under the current credit facility which runs for 364 days, does the Company have any option to convert borrowings made under this credit facility to long-term debt? If so, please explain fully the conditions under which the credit facility may be converted to long-term debt, as well as any separate regulatory approvals that may be required to effect the conversion.
- DTE 1-8 Refer to Mr. Seega's prefiled testimony at 5. Under the proposed extended Credit Agreement will the Company have any option to convert borrowings made under this credit facility to long term debt? If so, please explain fully the conditions under which the credit facility may be converted to long-term debt, as well as any separate regulatory approvals that may be required to effect the conversion.
- DTE 1-9 Refer to Mr. Seega's prefiled testimony at 6 (lines 6 -7), and Exh. RGS-2. What exactly is meant by "Prior to the current 364-day facility arrangement" in line 6. If the fees for the current credit facility are different than those shown in Exh. RGS-2, then please provide the upfront fee and annual facility fee associated with NEP's current 364-day facility arrangement?
- DTE 1-10 Refer to Exh. RGS-3 , at page 2, as well as the Company's 2004 Annual Return to the Department at 200, ln. 13. Please reconcile the difference between the \$1,341,730,000 in utility plant, construction work in progress, and goodwill provided in Exh. RGS-2 with the \$1,331,302,339 reported in the Company's 2004 Annual Return.
- DTE 1-11 Refer to the Company's 2004 Annual Return to the Department at 204, ln. 2. Please explain the items that comprise Account 301, Organization.

- DTE 1-12 Refer to the Company's 2004 Annual Return to the Department at 204, ln. 3. Please explain the items that comprise Account 302, Franchises and Consents.
- DTE 1-13 Refer to the Company's 2004 Annual Return to the Department at 204, ln. 4. Please explain the items that comprise Account 303, Miscellaneous Intangible Plant.
- DTE 1-14 Refer to Exh. RGS-3, at 2, as well as the Company's 2004 Annual Return to the Department at 257, ln. 33. Please reconcile the difference between the \$410,304,000 long-term debt balance reported in Exh. RGS-3 with the \$410,350,000 long-term debt balance reported in the Company's 2004 annual return to the Department.
- DTE 1-15 Refer to Exh. RGS-3, page 2, as well as the Company's 2004 annual return to the Department at 253, ln. 40. Please confirm, or amend accordingly, whether the entire balance in Account 211 of \$731,974,235 represents capital contributions made by the Company's parent.
- DTE 1-16 Refer to Exh. RGS-3, page 2. Please provide, if available, a copy of this schedule as of June 30, 2005. As part of this response, reconcile any differences between this response and the corresponding balances reported in the Company's 2004 Annual Return to the Department.
- DTE 1-17 Refer to Exh. RGS-2. Has the Company conducted/developed any present value calculations concerning the potential saving associated with the new Credit Agreement? If so, please provide those calculations. If not, provide such calculations. For purposes of this response, assume a discount rate of 8.0 percent and provide all assumptions used to derive the calculations.
- DTE 1-18 Please discuss whether the competitive bidding provisions of G.L. c. 164, § 15 are applicable to either the Credit Agreement or any long-term borrowings that may be made through the Credit Agreement. If the Company believes that G.L. c. 164, § 15 is applicable, please either (1) provide information evidencing that NEP has complied with the competitive bidding provisions or (2) confirm that NEP is seeking an exemption from G.L. c. 164, § 15 along with evidence that the grant of such exemption would be in the public interest.
- DTE 1-19 Please explain the repayment schedule and maturity date for any Base Rate Advance or Eurodollar Rate Advance drawn on the credit facility.

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DTE 1-20 Refer to Mr. Seega's prefiled testimony at 3. Please explain if NEP is seeking approval for borrowings for "general corporate purposes" and if so, please explain what types of uses specifically would constitute these general corporate purposes.

Dated: September 15, 2005